

**RFP Addendum
Response to Questions
June 17, 2014**

- 1. Will the transfer of ownership include a transfer of the improvements and the land, or will the land be leased to the new owner? If the land will be leased to the new owner, what entity will own the underlying land? Does the state currently own the land under the property as well as the buildings?**

The state currently owns both the land and building and intends to transfer ownership of the entire property to the selected entity. A copy of the [Quit Claim Deed](#) and other [underlying documents](#) has been made available on the Building 9 website.

- 2. Can the State provide a title report, land survey, legal description, or site plan of the land that will be transferred? Can the State provide a soils report and information about surrounding utilities?**

A copy of the Commitment for Title Insurance, which includes a site map, has been made available on the Building 9 website.

Commerce has not obtained a soils report and has not been able to identify any previous reports for the site.

Commerce does not have information about the surrounding utilities.

Building 42, a decommissioned electrical substation, is located on the Building 9 property. A copy of the [Electrical Equipment Use, Access and Removal Agreement](#) between the City and UW is also posted on the Building 9 website.

- 3. Can the State provide As-Built drawings of the building, a Capital Needs Assessment, historic designation documents, or a structural engineering report about the building?**

Commerce has obtained an electronic record of the original building plans, which consists of 380 TIFF files totaling 14.13 GB. Commerce will mail an electronic copy (4 CDs) to bidders upon request. Architectural plans produced in 1997 have been made available on the Building 9 website.

Commerce does not have a Capital Needs Assessment or structural engineering report for Building 9 and has not been able to identify or obtain any previous reports for the site.

A copy of the 2010 [letter from the Department of Archaeology and Historic Preservation](#) regarding the site's listing in the National Register of Historic Places has been posted on the Building 9 website. Commerce is not in possession of any other historic designation documents. Information regarding the [Sand Point Naval Air Station Landmarks Preservation District](#) can be found on the City of Seattle Department of Neighborhoods website.

4. When will the State's preliminary environmental assessment (referenced on page 3 of the RFP) be available?

Commerce anticipates having a preliminary survey completed by June 19, 2014. The report will be made available on the Building 9 website. A copy of the limited asbestos survey performed by the US Navy in 1993 is available from Commerce upon request.

5. Can the State provide a residential or commercial market study?

Commerce has not performed a residential or commercial market study and has not been able to identify or obtain any previous market studies.

6. Can the State provide more information about the \$12 million bond relating to the 1999-2000 utility upgrade? Please describe the improvements, the term of the bond, annual payments required on the bond, and other terms and conditions? Can the State please provide any documents describing these terms?

In 1997, the City of Seattle bonded debt for utility upgrades at Sand Point. The City of Seattle and Board of Regents of the University of Washington entered into a 20-year agreement, under which the UW was required to make payments to the City through 2017, the amortization period. Responsibility for Building 9's pro rata share of the costs has been assumed by Commerce and will be transferred to the successful bidder with the property. The quarterly infrastructure payments for Building 9 in 2014 are estimated at \$36,525, or \$146,101 for the year. A copy of the [Agreement between the City and UW](#) has been made available on the Building 9 website.

7. Will any of the State's \$300,000 of holding costs (referenced on page 7 of the RFP) continue with the Project?

The state's holding costs include the above referenced infrastructure payments, which will be assumed by the successful bidder upon transfer of the project. Other costs being incurred by Commerce include property maintenance (daily exterior property inspections, landscaping, emergency response and repairs), environmental assessment and mitigation activities, and Commerce staff time. Due to ongoing vandalism and neighborhood concerns, the awardee should anticipate maintaining some level of property maintenance pending redevelopment of the site.

8. Will the State charge a management or loan administration fee for the HTF award and if so how much will it be?

The Commerce loan will include a 1% administration fee and a 1% monitoring fee.

9. What are the "remaining restrictions" that will be released upon conveyance that are (referenced on page 4 of the RFP)?

The Abrogation and Release of Restrictions is contained within the [Quit Claim Deed](#), which has been made available on the Building 9 website. Paragraph 9 of the Abrogation prohibits the transfer of title or sale of the property for more than \$0 until October 25, 2020. Commerce has received a letter from the US Department of Education indicating their willingness to release Paragraph 9 under the condition that

Commerce secure the property with a Deed of Trust and Promissory Note and require that a Low Income Housing Covenant be recorded against the property for a term of 40 years.

10. The Supplemental Questions in the RFP suggest that the State expects the development team to begin outreaching to the Community (regarding residential and non-residential uses). Does the State expect every team to begin hosting meetings with community leaders before they're awarded the site? We believe this could create substantial community confusion if multiple sponsors are having multiple meetings. Since the Department of Commerce has already done initial community outreach, we would propose that the RFP ask for a comprehensive community outreach plan as part of its RFP submittals in lieu of multiple sponsor outreach.

Commerce expects bidders to demonstrate an effort to identify and respond to local priorities and concerns, and to identify potential partnerships within the community. More comprehensive outreach may be done after an award has been made, but the expectation is that community input and partnership opportunities will be taken into account during the design phase, not solely after a proposal has been finalized and awarded funds. Commerce is not prescribing the manner of outreach or who should be consulted. It could include hosting meetings; meeting with individuals, organizations, and employers; attending meetings of existing community groups (e.g. Magnuson Park Advisory Committee, Northeast District Council); or other forms of communication.

11. What is the total footprint that will be transferred? Just the building footprint or how much of the surrounding land in addition to the building?

As stated in the RFP, Building 9 is 223,000 square feet and occupies a parcel of approximately five acres. The building measures 800 feet long, 122 feet wide and 43 feet tall. The legal description of the parcel is included in the documents on the Building 9 website. Commerce intends to transfer ownership of the entire parcel.

12. Does Commerce have access to and can you provide third party reports such as geotech, environmental, engineering, seismic on the building and surrounding land?

Commerce is having a preliminary environmental survey performed and will make the report available on the Building 9 website when completed. A copy of the 1993 limited asbestos survey is available from Commerce upon request. Commerce has requested a copy of the seismic study that was performed in 2011 but has not yet received a response from UW. If received, the report will be made available on the Building 9 website. Commerce has not been able to identify or obtain any other third party reports for the site.

13. Can the question period be extended to close after the June 26th tour to address questions arising from the tour?

Commerce agrees to hold a second question and answer period following the site visits. Questions must be submitted via e-mail to the RFP Coordinator by 5 p.m. on Friday, July 11. The published questions and answers shall be provided as a second addendum to the RFP and will be posted on the Building 9 website. Commerce will attempt to respond to all questions by Friday, July 18.

14. Will Commerce conduct a community question/comment process with the larger community around the proposed redevelopment?

Commerce does not intend to conduct any additional community meetings or comment processes. Commerce convened a stakeholder advisory committee that included representatives of the local community and met monthly from January through May 2014. In addition, Commerce staff and members of the advisory committee attended local community meetings to share information about the proposed redevelopment and solicit input from community members. Input gathered through these efforts was incorporated into the RFP (State and Local Expectations). Commerce will reconvene the advisory committee after proposals have been received and evaluated. If Commerce elects to schedule oral presentations, advisory committee members will participate in the interview process.